

Higher Education Authority

Report of the 373rd Meeting held on 28th July 2015, in Brooklawn House, Dublin 4.

Present: ¹ Mr. Brendan Byrne
Dr. Mary Canning
Mr. John Dolan
Mr. Kevin Donoghue
Mr. Eamonn Grennan
Professor Eileen Harkin-Jones
Mr. John Hennessy, Chairman
Dr. Stephen Kinsella
Dr. Maria Meehan
Dr. Jim Mountjoy (items 1-7)
Mr. Gordon Ryan
Professor Anthony Staines
Dr. Brian Thornes
Mr. Declan Walsh

Apology: Mr. Bahram Bekhradnia
Professor Maeve Conrick
Ms Siobhan Harkin

In attendance: Mr. Tom Boland (items 2-15)
Mr. Andrew Brownlee (items 2-15)
Mr. Fergal Costello (items 2-15)
Mr. Pdraic Mellett (items 2-15)
Mr. Stewart Roche (items 4,10)
Dr. Eucharía Meehan (items 7,10)
Ms Orla Christle (item 10)

1. Members only session

2. Report of meeting held 26th May and follow-up actions

Decision: The minutes were approved.

3. Matters Arising & Follow-up actions

3.1 Item 7.1 - The CEO briefed members on developments relating to the Public Appointments Code of Practice. The HEA intends to write to IUA and IoT

¹ Members present for all items unless otherwise indicated. The meeting concluded at 1.40pm

proposing that the HEIs apply the Code on a voluntary basis and should they chose not to apply the Code, they should provide an explanation how their current arrangements meet the standards outlined in the Code. The HEA will then write to each HEI. He advised members that the IoTI wrote to the Minister some time ago seeking approval to apply the terms of the Code but to date it has not received a response.

3.2 Item 4.7 – Reference was made to the response the Minister provided to an oral PQ in which she indicated that she was of the view that the HEA’s Op-Ed pre-empted the outcome of the Expert Group on Funding. The CEO indicated that he has not spoken personally to the Minister on this matter but stood by his opinion that the Op-Ed did not seek to pre-empt the work of the Expert Group on Funding.

3.3 Item 4.11 -The CEO advised members that he did not know when Mr. Bekhradnia’s paper prepared for the Expert Group on Funding would be published. He anticipated it would have to be published when consultations on the funding options commences.

3.4 Item 4.4 –The Executive undertook to revert back with a full briefing on the question of unauthorised allowances in UCC. It was understood that the matter was not as serious as previously thought.

4. Report of the Chief Executive

4.1 The CEO updated members on developments relating to the proposal to have a TU in the south-east. Mr. Michael Kelly’s report was published on 27th July. Mr. Kelly noted that a TU in the south-east was wanted by stakeholders, and was a feasible prospect, but trust was essential if the proposal was to proceed. The CEO briefed members on a meeting he attended with the Minister, her officials and the Chair and Presidents of the two Institutes. The two Institutes undertook to clear in advance any communications relating to the process. Members discussed the challenges facing both Institutes if the new entity is to succeed including the need for trust, and buy-in from staff. The need to manage the risks associated with the proposed TU for the south-east was noted.

4.2 Mr. Roche made a presentation to the Board on the draft report on student accommodation. His presentation focused on the following;

- Forecast of supply of student accommodation to 2030
- Current and projected student numbers to 2030
- Supply, demand and shortfall for bed spaces to 2030

- Current and projected university sector income, expenditure and surplus revenue from student accommodation to 2030
- Current and projected capital of university owned campus accommodation to 2030
- Current and projected gross borrowings (excluding private providers) to 2030
- Possible next steps to address the shortfall. He stressed the need for a whole of government approach.

4.3 The CEO noted the DES is committed to finding a solution having regard to current shortage of private rented accommodation for the non-student population. The DES has submitted a paper to Government proposing an inter-departmental steering committee. Members raised the following points;

- Importance of good quality accommodation both from the student experience perspective and ensuring Ireland remains an attractive location for international students.
- The shortage of student accommodation is primarily a Dublin issue. Mr. Roche agreed but noted there was also a shortage in Cork and Galway.
- The social impact a shortage of student accommodation has, particularly for prospective students with a disability
- The report is likely to prompt some developers to invest in additional student accommodation developments.

4.4 Members were advised that the TU legislation will not now be published until after the summer recess. This means it is unlikely to be enacted before the next election. The HEA will accordingly enter into discussions with the Dublin and Munster consortia on how best to deal with the risks associated with a delay in the enactment of TU legislation. Members were advised that the enactment of the Universities (Amendment) Bill is even less likely as work on drafting the Bill is even further behind.

4.5 The CEO advised members that a letter will shortly issue to GMIT in relation to the legal costs incurred arising from the allegations of plagiarism. The Institute will be requested to provide assurances that its Governing Body has been fully briefed and that all outstanding issues relating to this matter have been addressed. Any members who wished to raise any issues relating to GMIT should do so by the end of the week, the Executive has already received input from one member. It was noted that this matter had been considered by the HEA's Finance Committee. The HEA has already requested all institutions to ensure they have in place a system for reviewing legal and other consultancy costs.

5. Report of the System Governance and Performance Management Committee

Decision: Members approved the report.

6. Report of the Policy and Planning Committee

Decision: Members approved the report.

7. Report of the Research and Graduate Education Committee

7.1 The CEO introduced the report and advised members that a change to item 5 of the summary of the meeting held was proposed. The revised wording was as follows;

‘The Committee received a brief update on the IRC’s 2014 annual report. It was noted that the IRC is now funding 1418 researchers (Scholars, Postdoc Fellows and PIs) and is the largest funder nationally of postgraduate scholars. In 2014 40% of STEM Scholar awards were co-funded by enterprise, this was 25% when all disciplines were considered.’

7.2 Members were advised that members of the Executive attended a consultation session on the SSTI in Farmleigh. Members welcomed the positive developments to date and complimented the HEA and IRC Executives for their work to date. They noted that Mr. O’Connor and Ms O’Connor have been invited to write chapter 2 of the draft strategy on human capital development. Consideration now needs to be given to the investment which emerges following publication of the new strategy. The CEO indicated that his preferred approach would be for a single envelope which various Departments and Agencies would draw from. Dr. Meehan noted that this was the approach taken following publication of SSTI 1. It would be incumbent on the Departments/Agencies to link requests for funding to the strategy.

7.3 Members discussed the impact increased teaching workloads has had on the ability of academics to carry out research. Many academics are only able to carry out research in the evenings or the weekend. The absence of firm data which shows how an academic’s time is utilised is of concern to the DES although it was noted that a number of universities are carrying out a full economic cost exercise in addition to workload allocation models. Mr. Costello updated on these developments but noted that the workload allocation models being undertaken by the universities and institutes were not consistent.

Decision: Members approved the report subject to the amendment outlined above.

8. Report of the Finance Committee

8.1 Mr. Brownlee presented the Committee's report. He advised members that further work was required on stage 2 intervention of policy framework for engagement with IoTs with operating deficits. It was proposed to bring proposals to the Committee in September. He updated members of the funding position in DkIT, LyIT, GMIT, ITTra and WIT. The HEA will be writing formally to the DES and Expert Group on Funding in relation to capital investment.

8.2 Members made the following comments;

- Risk of moral hazard in allowing institutions run a deficit - the CEO outlined the various means of intervention which were in no way attractive for the institutions concerned. Mr. Costello noted that no institutions with deficits have been provided with additional funding.
- Did LyIT have other funding difficulties in addition to the Killybegs campus? Members were advised that the Institute even without Killybegs was currently operating with a €700k deficit. The point was made that the institute continues to advertise many posts.
- What was the increased funding requirements associated with the increase in apprenticeship numbers? Mr. Costello indicated that this was not currently an issue as there was some spare capacity in the system, he was preparing an estimate for the DES on what the growth will cost.
- Impact of the free fees initiative on overall funding. Some of the fees bear no relation to the actual cost, would it be more appropriate to roll the free fees back into the core grant? Mr. Costello indicated that the Executive has carried out some modelling on the funding mechanism and under one scenario such an approach would benefit two universities in particular at the expense of the five others, the impact within the IoT sector was potentially even more disruptive. The Executive was however conscious of the impact the growth top-slicing for free fees is having on the core grant.
- Overall, members considered the position of IoTs with deficits to be one of the most serious risks facing the higher education sector. It sprung in large part from the overall inadequate funding of the sector and requires ongoing close engagement by the HEA with the IoTs concerned and with the Department of Education and Skills.

Decision: Members approved the report

9. Report of the Audit Committee

9.1 Professor Staines presented the report. He indicated that the Executive have developed a more robust reporting mechanism for institutional reporting on governance.

Decision: Members approved the report of the Audit Committee.

10. 2015 Work Plan – Review of Progress

10.1 The CEO indicated that the progress report on the work plan needs to be considered within the following strategic context;

- HEA's mandate to create and promote a coherent system that is sustainable
- Funding is crucial to the sustainability of the system – the work of the funding group continues, however in the meantime a number of institutions are facing funding difficulties. The HEA continues to work closely with a number of vulnerable institutes.
- Importance of quality – the HEA has concluded an MoU with QQI and has overseen agreement on a PhD framework. The HEA has continued to make the case formally and informally that quality is under threat unless additional funding for the system is forthcoming.
- In the absence of additional funding a fresh look at the RGAM and the capacity to fund growth in student numbers may have to be considered.
- Restructuring within the system continues with progress being made on implementation of the teacher education report and the establishment of technological universities. Progress in developing the regional clusters has been mixed. Key issues to decide will be the future configuration of the clusters and how they interact with other entities around them.
- Accountability and governance – the HEA's engagement with the C&AG has been quite positive. Likewise the HEA continues to engage with the DES in relation to governance oversight of the HEIs.
- Relationship with DES – the position of the DES is that it sets overall policy, any clarification on the precise policy role of the HEA is unlikely to be forthcoming in the immediate future. It may be addressed in new legislation for the HEA however that is at least three years away.
- Reputation of the HEA – the HEA has now approved a communications strategy. Consultants have been engaged to assist the HEA implement the strategy. The HEA will update its website and develop a social media strategy.
- Research remains a key concern for the HEA and IRC. There have been positive developments this year in relation to the development of a new SSTI.
- Future planning – the Forward Look fora have contributed to the HEA's long term thinking. The Executive plans to submit a preliminary new strategy to the

Board in November with a final document to be considered in January or March 2016.

10.2 Issues raised by members;

- To what extent does the HEA have oversight over campus companies? Members were advised that the terms of the Code of Governance apply to entities over which the institution has control. Such entities would also be included in an institution's consolidated accounts and are listed in the accounts. These accounts are reviewed by the C&AG.
- The position relating to companies not fully controlled by HEIs was more complex, however even in these scenarios the HEIs should have regard to the public good. It was up to the Board of each HEI to ensure all public funding was properly accounted for. The HEA should not take on the role of being shadow directors for particular institutions.
- Given the current funding crises should the HEA consider measures now such as capping intake or setting minimum entry points? The CEO indicated that it would be important that the HEA had robust evidence to justify proposing such policy proposals. There was a risk that the DES might overturn a decision by the HEA to cap numbers.
- Members noted a number of areas where the cuts have impacted on teaching and learning. These included a reduction in laboratory sessions for final year students, a decision taken by one university to cease final year projects and a deterioration in the student progression rates.
- The ability of HEIs to continue to secure the goodwill of staff was noted.
- The CEO attributed the lack of progress on the thematic reviews to the staff resources. He hoped work on outlining how the reviews will be carried out will be finalised by the year end.

Decision: Members approved the mid-year review.

11. Development of Regional Clusters – Consultation Paper

11.1 The CEO noted the development of regional clusters was part of the national policy for higher education. Consideration now needs to be given how the clusters can be made more effective. Members were advised that this matter is still under consideration in the DES. The Department is anxious that the development of the clusters is consistent with other developments including the regional skills fora and the NUTS 3 regions. The Department has been advised that it is proposed to bring a final strategy paper to the Board in September or November.

11.2 Members raised the following issues;

- Have the clusters undertaken the mapping exercise? Members were advised that the HEA has received progress reports from each of the clusters.
- Has the development of TU impacted negatively on the clusters? The CEO accepted that TUs have no doubt made work more complex in some of the clusters, however progress can still be made. Mr. Costello noted that cooperation in the West/North West cluster has had a positive impact on the CUA consortium.
- The strategy would benefit from more analysis on what the current baseline is, what have been the learning outcomes on progress to date. The strategy would also benefit from more detail on the international models. Members were advised that a paper on the cluster performance would be considered by the Board at a future meeting.
- Clusters will need to allow for more flexibility. There is already anecdotal evidence that academics are no longer allowed co-operate with academics from institutions outside their cluster.
- The document needs to be shortened, with section 1 'Why Regional Clusters' further developed.

Decision: Members agreed to consider a further, shorter document.

12. HEA 2014 Annual Report

12.1 Members were requested to consider whether they wished to make a stronger statement in the Chair's letter to the Minister having regard to the earlier discussion under item 10. The Chair indicated that the lack of capital investment needs to be highlighted in the letter. Members were of the view that the letter should be more robust and focus on the negative impact a continuing lack of funding will have on the competitiveness of Irish higher education institutions and the employability of graduates.

Decision: Members approved the annual report subject to changes in the Chair's letter to the Minister.

13. HEA Governance – Membership of HEA Finance Committee, Terms of Reference for Finance and SGPM Committees

13.1 The Chair outlined the purposes of this item namely to strengthen the expertise of the Finance Committee and separate institutional governance from institutional performance. The CEO gave a short outline of Mr. Heavey's biography. Concern was expressed whether the Finance Committee had the capacity to take on additional work. The CEO noted that institutional governance was a matter for the Finance Committee prior to the establishment of the System Governance and Performance (SGPM) Committee but accepted that the work

associated with institutional governance has increased significantly since then. The Chair acknowledged the need to ensure the Finance Committee had the necessary expertise on institutional governance.

Decision: Members approved the appointment of Mr. Heavey to the Finance Committee for a four year period and changes to the terms of reference of the Finance Committee. The SGPM Committee will now be renamed the System Development and Performance Management Committee. It was agreed to review the changes to the terms of reference after six months.

14. RCSI – Application for university authorisation under the Education (Miscellaneous Provisions) Act, 2015

14.1 The CEO introduced this item noting that the Minister is required to consult the HEA in relation to the RCSI's application. He noted the College was a very reputable body, with its own degree awarding powers and had a very strong international profile.

Decision: Members approved the proposed approach outlined in memorandum A 30/15.

15. Any other business – no items were raised.

Next Meeting

Members agreed that the next meeting would be spread over two days having regard to the schedule of work on the agenda. The dates agreed were 29th September and 6th October.

Padraic Mellett
Secretary to the Board
30th July 2015